

### Fiscal Estimate - 2003 Session

Original
  Updated
  Corrected
  Supplemental

|                             |                                   |
|-----------------------------|-----------------------------------|
| <b>LRB Number</b> 03-2124/2 | <b>Introduction Number</b> SB-167 |
|-----------------------------|-----------------------------------|

**Subject**  
 Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan

**Fiscal Effect**

**State:**

|   |   |   |
|---|---|---|
| <input type="checkbox"/> No State Fiscal Effect           | <input type="checkbox"/> Increase Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget |
| <input type="checkbox"/> Indeterminate                    | <input type="checkbox"/> Decrease Existing Revenues | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                   |
| <input type="checkbox"/> Increase Existing Appropriations |   | <input type="checkbox"/> Decrease Costs   |
| <input type="checkbox"/> Decrease Existing Appropriations |   |   |
| <input type="checkbox"/> Create New Appropriations        |   |   |

**Local:**

|  |   |
|--|---|
| <input type="checkbox"/> No Local Government Costs                     | <b>5.Types of Local Government Units Affected</b>   |
| <input type="checkbox"/> Indeterminate                                 | <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities |
| 1. <input type="checkbox"/> Increase Costs                             | <input type="checkbox"/> Counties <input type="checkbox"/> Others                               |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts               |
| 2. <input type="checkbox"/> Decrease Costs                             |   |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |   |
| 3. <input type="checkbox"/> Increase Revenue                           |   |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |   |
| 4. <input type="checkbox"/> Decrease Revenue                           |   |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |   |

|  |                                       |
|--|---------------------------------------|
| <b>Fund Sources Affected</b>   | <b>Affected Ch. 20 Appropriations</b> |
| <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS |                                       |

|  |  |                          |
|--|--|--------------------------|
| <b>Agency/Prepared By</b><br>DOR/ Rebecca Boldt (608) 266-6785 | <b>Authorized Signature</b><br>Dennis Collier (608) 266-5773 | <b>Date</b><br>5/27/2003 |
|--|--|--------------------------|

**Fiscal Estimate Narratives**

**DOR 5/27/2003**

|   |                                   |                               |
|---|-----------------------------------|-------------------------------|
| LRB Number <b>03-2124/2</b>   | Introduction Number <b>SB-167</b> | Estimate Type <b>Original</b> |
| <b>Subject</b>  |                                   |                               |
| Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan |                                   |                               |

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, tax incremental finance districts (TIDs) that were created prior to October 1, 1995 have ten years to make public expenditures associated with the TID project plan and may exist 20 years after the last expenditure but may not exist longer than 27 years. Several TIDs have been granted special exceptions to these restrictions. TID Number Six in the City of Sheboygan is allowed, under current law, to make public expenditures for 13 years but may not exist longer than 27 years.

Under the bill, TID Number Six in the City of Sheboygan would be allowed a 15-year expenditure period and 16-year period to recover costs. This would result in a 31-year total life of the TID (15 years for expenditure plus 16 years). Thus, the bill would allow TID Number Six in the City of Sheboygan five additional years to make project expenditures and four additional years to exist relative to other TIDs created prior to October 1, 1995.

To the extent that additional project costs would be incurred, the bill would likely result in a longer TID life for this TID; as a result, overlying taxing jurisdictions such as the school district, county and vocational college, would be required to forego the tax base associated with the development within the TID for a longer period.

The bill would slightly increase department costs associated with monitoring the different expenditure periods and cost-recovery periods for this TID relative to other TIDs. These costs can be absorbed.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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|  |  |  |                 |
|--|--|--|-----------------|
| LRB Number <b>03-2124/2</b>  |  | Introduction Number <b>SB-167</b>              |                 |
| <b>Subject</b>   |  |  |                 |
| Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan  |  |  |                 |
| <b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>                                |  |  |                 |
|  |  |  |                 |
| <b>II. Annualized Costs:</b>   |  | <b>Annualized Fiscal Impact on funds from:</b> |                 |
|  |  | Increased Costs                                | Decreased Costs |
| <b>A. State Costs by Category</b>  |  |  |                 |
| State Operations - Salaries and Fringes  |  | \$   |                 |
| (FTE Position Changes)   |  |  |                 |
| State Operations - Other Costs   |  |  |                 |
| Local Assistance   |  |  |                 |
| Aids to Individuals or Organizations   |  |  |                 |
| <b>TOTAL State Costs by Category</b>   |  | <b>\$</b>                                      | <b>\$</b>       |
| <b>B. State Costs by Source of Funds</b>   |  |  |                 |
| GPR  |  |  |                 |
| FED  |  |  |                 |
| PRO/PRS  |  |  |                 |
| SEG/SEG-S  |  |  |                 |
| <b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b> |  |  |                 |
|  |  | Increased Rev                                  | Decreased Rev   |
| GPR Taxes  |  | \$   | \$              |
| GPR Earned   |  |  |                 |
| FED  |  |  |                 |
| PRO/PRS  |  |  |                 |
| SEG/SEG-S  |  |  |                 |
| <b>TOTAL State Revenues</b>  |  | <b>\$</b>                                      | <b>\$</b>       |
| <b>NET ANNUALIZED FISCAL IMPACT</b>  |  |  |                 |
|  |  | <u>State</u>                                   | <u>Local</u>    |
| NET CHANGE IN COSTS  |  | \$See text of fiscal note.                     | \$              |
| NET CHANGE IN REVENUE  |  | \$   | \$              |
|  |  |  |                 |
| <b>Agency/Prepared By</b>  |  | <b>Authorized Signature</b>                    | <b>Date</b>     |
| DOR/ Rebecca Boldt (608) 266-6785  |  | Dennis Collier (608) 266-5773                  | 5/27/2003       |